



United States Department of the Interior
BUREAU OF LAND MANAGEMENT

Color Country District Office
Henry Mountains Field Station
PO Box 99
Hanksville, Utah 84734
Telephone (435)542-3461

S/017/0043
cc: Wayne



In Reply Refer To:

3809
(UTC021)
UTU-71615
S/017/0043

November 29, 2011

Mr. Avraham Azoulay
Martinique Mining Corporation
2335 Northwest 107th Avenue, Suite 2M46
Doral, Florida 33172

RECEIVED

DEC 01 2011

DIV. OF OIL, GAS & MINING

Subject: Site Inspection of May Day Mill/Crescent Creek Operations

Dear Mr. Azoulay:

On November 22, 2011, Mr. John Reay, Geologist for the Bureau of Land Management (BLM) conducted an inspection of the May Day Mill (UTU-71615) site and observed an unauthorized release of deleterious materials (liquids) to on-site soils in association with discarded marked and unmarked crushed five gallon containers. As a result of these observations you were directed via telephonic and e-mail communications to immediately suspend operations pending evaluation by the BLM.

At approximately 0800 on November 28, 2011, Mr. Shane Scott representing Martinique Mining Corporation visited the Hanksville BLM office and received permission to continue site cleanup and reclamation operations with the stipulation that he not disturb the areas identified as affected by the release of deleterious liquids.

A follow-up inspection was conducted on the morning of November 28, 2011 by Mr. Reay and I. We found that the crushed five gallon containers had been removed but that the previously observed soil staining was still present and that the release area had been left relatively undisturbed as requested. As a result of the follow-up inspection and discussion with Mr. Scott, BLM was able to determine that the soil staining appeared to be confined in aerial extent and depth and directed Mr. Scott to immediately excavate and place all affected soil into DOT approved sealable 55 gallon drums for transport to a properly licensed disposal facility.

Observations and directives made by BLM as a result of the follow-up inspection:

- Stained soil removal requirements:
 - Martinique Mining Corporation is directed to immediately excavate and place all affected soil into DOT approved sealable 55 gallon drums for transport to a properly licensed disposal facility. Further, Martinique Mining Corporation is

directed to provide proof of transport and disposal of affected soil at a properly licensed disposal facility in the form of a facility receipt, chain-of-custody documents, and/or laboratory analysis results.

- Unauthorized release sampling requirements:
 - Martinique Mining Corporation is directed to retain a qualified third party to conduct confirmation sampling in the area affected by unauthorized release to assure complete removal of deleterious liquids. BLM will review and approve third party qualifications and the recommended sampling and laboratory analysis program prior to the sampling event. BLM personnel will be on-site and observe any soil sampling event.
- Unauthorized road:
 - A new unauthorized road was observed to have been made into the May Day Mill compound. Martinique Mining Corporation is directed to immediately discontinue use and perform reclamation of the new road.
- Wilderness Study Area potential encroachment:
 - A minor unauthorized encroachment adjacent to the Wilderness Study Area was observed opposite to the May Day Mill gated access. While BLM understands that large pieces of heavy equipment are required to move through the area, Martinique Mining Corporation is directed to re-grade and reclaim any areas of disturbance made as a result of their operations.
- NOI and Plan of Operations issues:
 - BLM reminds all parties that under 43 CFR 3809 all mining operations on BLM administered lands must be conducted under a Notice of Intent or Plan of Operations, including reclamation, and that any change in operational plans or parties involved must be filed with BLM and authorized prior to execution of operational changes.

Please contact our office to arrange for follow-up inspections as the items above are addressed. If you have any questions regarding the items above, please contact me or John Reay at (435)542-3461.

Sincerely,



Sue Fivecoat
Assistant Field Office Manager

cc: Wayne Western, UDOGM